COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KEN IMPROVEMENT, INC.'S APPLICATION)
FOR APPROVAL OF THE TRANSFER OF THE)
KEN ACRES-MEADOW RUN TREATMENT PLANT)
CASE NO.
TO THE SANITATION DISTRICT NO. 1 OF)
89-293
SHELBY COUNTY, KENTUCKY

ORDER

On October 11. 1989, Ken Improvement, Inc. Improvement"), a Kentucky corporation, filed an application requesting Commission approval to transfer its sewer lines and collection facilities to the Sanitation District No. 1 of Shelby Kentucky ("Sanitation District"). As the package County. treatment plant previously treating the sewage has been taken out service. Ken Improvement's application will also be considered as one requesting approval to discontinue the operation of said package treatment plant. This Order grants the approval requested.

On May 24, 1985, Ken Improvement and the Sanitation District entered into a contract whereby Ken Improvement agreed to construct, at its own expense, a force main to transport flows from the customers it was currently serving to the Sanitation District's facilities. Upon completion of construction and connection to the Sanitation District's system, the agreement provided that Ken Improvement would convey to the Sanitation District all of its right, title and interest in the force main

its entire sewage collection system. and Thereafter, the Sanitation District would commence to provide sewage disposal service to the properties served by the system conveyed. By Deed of dated September 21, 1989, Ken Conveyance Improvement transferred the completed force main sewer line, the sewage collection system, and all pump stations and appurtenances thereto to the Sanitation District. The Sanitation District has taken over treatment of the flow of Ken Improvement and will collect all fees for future connections. As a result of this transfer, Ken Improvement's sewage treatment plant is no longer in operation. Improvement has filed a "No Discharge Certificate" with the Natural Resources and Environmental Protection Cabinet, Division of Water.

The Commission finds that the Sanitation District has the financial, technical, and managerial abilities to provide reasonable services to the customers of Ken Improvement, and that the proposed transfer of Ken Improvement's collection system to the Sanitation District is consistent with the requirements of KRS 278.020(4)(5) and should be approved.

IT IS THEREFORE ORDERED that:

- 1. The proposed transfer of Ken Improvement's sewer lines and collection facilities is hereby approved.
- The abandonment of Ken Improvement's sewage treatment plant is hereby approved.

Done at Frankfort, Kentucky, this 21st day of November, 1989.

| | Chairman Vice Chairman |
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| | Commissioner |
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| ATTEST: | |
| Executive Director | |